

**MAYOR WILLIE W. HERENTON'S
FISCAL YEAR 2003 BUDGET ADDRESS**

GOOD AFTERNOON: CHAIRMAN PEETE, MEMBERS OF THE MEMPHIS CITY COUNCIL, AND CITIZENS OF MEMPHIS

BEFORE MOVING ON TO THE CITY'S BUDGET ADDRESS, I WOULD FIRST LIKE TO THANK CITY COUNCIL FOR WORKING VERY CLOSELY WITH THIS ADMINISTRATION.

WE HAVE DEMONSTRATED WHAT IT IS LIKE TO WORK IN A GOVERNING PARTNERSHIP, WHERE BOTH THE LEGISLATIVE AND EXECUTIVE BRANCHES WORK TOGETHER FOR THE SUCCESS OF ITS CITIZENS. AS MAYOR, I RESPECT YOUR ROLE AS COUNCIL AND APPRECIATE HOW WELL WE HAVE WORKED TOGETHER.

I ALSO WANT TO THANK EACH OF MY CITY DIRECTORS AND THEIR STAFFS FOR THE TREMENDOUS EFFORTS AND CONTRIBUTIONS THEY PROVIDE TO THE MEMPHIS COMMUNITY.

TODAY, I PROUDLY STAND BEFORE YOU TO PRESENT THE CITY OF MEMPHIS' OPERATING AND CAPITAL IMPROVEMENT BUDGETS FOR FISCAL YEAR 2003.

THE THEME OF THIS YEAR'S BUDGET IS "CHOOSE MEMPHIS."

AS LEADERS OF THIS GREAT CITY, OUR CONTINUING CHALLENGE IS TO PROVIDE PROGRESSIVE DYNAMIC LEADERSHIP - LEADERSHIP THAT WILL ENABLE MEMPHIS TO ACHIEVE ITS VISION OF BECOMING A GLOBAL CITY OF CHOICE IN WHICH TO LIVE, LEARN, WORK AND RECREATE.

YOU OFTEN HEAR ME SAY THAT "OUR BEST DAYS ARE AHEAD." IN FACT, THIS STATEMENT IS NOW BECOMING REALITY, AS PEOPLE ARE BEGINNING TO **"CHOOSE MEMPHIS"** – AS THEIR CITY OF CHOICE.

FOR EXAMPLE, THE NEW DEAN OF EDUCATION AT THE UNIVERSITY OF MEMPHIS, RIC HOVDA, WAS RECENTLY QUOTED IN THE COMMERCIAL APPEAL NEWSPAPER AS SAYING, "I SAW THE ENERGY IN DOWNTOWN. IT WAS ALL OVER THE CITY, AND I REALIZED I WANTED TO BE A PART OF THAT."

INDEED, PEOPLE ARE RETURNING, IN LARGE NUMBERS, TO THE INNER CITY AND DOWNTOWN.

IN PART, OUR PHENOMENAL GROWTH HAS BEEN SPURRED BY THE DEVELOPMENT OF QUALITY HOUSING ALONG OUR RICH AND HISTORIC

RIVERFRONT AND THROUGHOUT DOWNTOWN WHERE OUR RESIDENTIAL POPULATION NOW EXCEEDS 10,000.

THE INFUSION OF BILLIONS OF DOLLARS IN RENOVATION AND DEVELOPMENT, INCLUDING INFRASTRUCTURE IMPROVEMENTS, SCHOOLS, HOSPITALS, OFFICE SPACES, CULTURAL FACILITIES, HOTELS AND HOUSING, HAS HELPED ROUND OUT OUR DRAMATIC DOWNTOWN REDEVELOPMENT EFFORTS.

WE HAVE OPENED OUR NEW \$60 MILLION STATE-OF-THE-ART MEMPHIS AND SHELBY COUNTY PUBLIC LIBRARY AND INFORMATION CENTER.

WE WILL SOON BE EXPERIENCING THE REBIRTH OF THE STAX RECORDING STUDIO, MUSEUM AND MUSIC ACADEMY.

WE HAVE ACQUIRED A NATIONAL BASKETBALL ASSOCIATION FRANCHISE, AND ARE NOW PREPARED TO SUCCESSFULLY COMPLETE THE LARGEST PUBLIC PROJECT IN OUR CITY'S HISTORY -A NEW, **\$250 MILLION, FIRST-CLASS SPORTS ARENA.**

WE ARE NEARING COMPLETION OF A WORLD-CLASS PERFORMING ARTS CENTER; AND ON JUNE 8, 2002, MEMPHIS WILL BECOME AN **INTERNATIONAL STAGE FOR A "HISTORIC SPORTING EVENT" – THE WORLD HEAVY WEIGHT BOXING CHAMPIONSHIP.**

IN ADDITION TO ITS DIRECT ECONOMIC IMPACT, THIS EVENT WILL PROVIDE US WITH MILLIONS OF DOLLARS WORTH OF POSITIVE GLOBAL ADVERTISEMENT AND EXPOSURE FOR MANY YEARS TO COME.

THERE WERE MANY CITIES, INCLUDING WASHINGTON, D. C., DETROIT, AND OTHERS THAT COMPETED FOR THIS WORLD CLASS SPORTING EVENT. MEMPHIS WAS SUCCESSFUL. MEMPHIANS CAN AND SHOULD BE PROUD THAT WE WERE ABLE TO ATTRACT SUCH A MAJOR EVENT. **YES, THIS IS A WIN FOR MEMPHIS.**

JUST IMAGINE, TEN YEARS AGO, IT MAY HAVE BEEN UNBELIEVABLE TO SOME THAT WE WOULD NOW HAVE AN NBA FRANCHISE, SOME CAN NOT BELIEVE THAT WE ARE ABOUT TO HOST A HUGE INTERNATIONAL CHAMPIONSHIP SPORTING EVENT.

SOME CAN NOT VISION, FOR EXAMPLE, IN THE FUTURE, THE MEMPHIS GRIZZLES COULD BE PLAYING IN THE NBA CHAMPIONSHIP, OR IN 10 TO 20 YEARS MEMPHIS COULD BE HOST TO OTHER MAJOR VENUES, WHAT ABOUT THE SUMMER OLYMPICS.

YES, WE CAN POSITION OUR CITY TO ATTRACT SUBSTANTIALLY MORE THAN WE EVER HAVE IN THE PAST. WE CAN BE HIGHLY SUCCESSFUL, BUT IT WILL REQUIRE US TO BE PROGRESSIVE AND VISIONARY.

SINCE THIS TIME LAST YEAR, OUR NATION HAS EXPERIENCED SOME VERY TRAGIC EVENTS. THE TERRORIST ATTACKS ON SEPTEMBER 11TH, SHOOK OUR NATION TO ITS VERY CORE AND HAD A DRAMATIC AFFECT ON OUR ECONOMY.

THE CITY OF MEMPHIS WAS NOT IMMUNE FROM THIS IMPACT AND BY THE END OF SEPTEMBER, DUE LARGELY TO AN ECONOMIC DOWNTURN AND SUBSEQUENT RECESSION, WE PROJECTED A \$12 MILLION SHORTFALL IN BUDGETED REVENUES.

WE HAVE MADE SOME TOUGH DECISIONS TO MANAGE WITHIN OUR CURRENT RESOURCES. OUR MOST RECENT PROJECTIONS INDICATE THAT WE WILL END FY 2002, WITH AN OPERATING SURPLUS.

MEMPHIS HAS BEEN ABLE TO SUSTAIN SOLID FINANCIAL PROGRESS EVEN WITHIN THE CLIMATE OF A NATIONAL ECONOMIC DOWNTURN, STATE REVENUE CRISIS AND RISING COUNTY DEBT.

I NEED TO POINT OUT THAT DESPITE THE OBSTACLES AND FINANCIAL CHALLENGES WE FACE, THE FY 2003 BUDGET REQUIRES NO PROPERTY TAX INCREASE AND NO USE OF GENERAL FUND RESERVES. IN FACT, THE CITY HAS RAISED PROPERTY TAXES ONLY ONCE IN THE LAST NINE YEARS.

MEMPHIS MAINTAINS A DOUBLE-A BOND CREDIT RATING. MOREOVER, WE HAVE IMPLEMENTED A NEW DEBT MANAGEMENT POLICY, WHICH SHOULD ENHANCE OUR ABILITY TO OBTAIN AN UP-GRADE IN OUR CREDIT RATING. SUCH AN UPGRADE WOULD RESULT IN SAVINGS OF MILLIONS OF DOLLARS ON ALL OUR FUTURE DEBT ISSUANCES.

ASIDE FROM THE SLUGGISH ECONOMY EXPERIENCED RECENTLY, WE HAVE HAD FOUR CONSECUTIVE YEARS OF PROSPERITY THAT HAVE BEEN BANNER YEARS FOR CAPITAL INVESTMENTS. NUMEROUS BUSINESS AND EMPLOYMENT OPPORTUNITIES WITHIN OUR CITY SERVED TO INCREASE THE MARKET FOR VIABLE EMPLOYMENT.

THIS CITY HAS INDEED BEEN BLESSED WITH ECONOMIC PROSPERITY OVER THE LAST DECADE AND OUR ECONOMIC OUTLOOK IS VERY BRIGHT.

FISCALLY, THIS CITY IS IN A MUCH STRONGER POSITION THAN IT WAS WHEN I CAME INTO OFFICE OVER 10 YEARS AGO. I AM VERY PROUD OF THAT.

BASED ON FEEDBACK FROM THE MEMPHIS COMMUNITY, THE CITIZENS OF MEMPHIS ARE PLEASED WITH THE SERVICES THAT WE PROVIDE.

THE 2002 MEMPHIS POLL FOUND THAT **82 PERCENT** OF CITIZENS FEEL POSITIVE ABOUT OUR CITY SERVICES AND PUBLIC POLICIES.

CITIZENS ARE OPTIMISTIC ABOUT THEIR NEIGHBORHOODS AND FEEL THEIR NEIGHBORHOODS WILL BE AN EVEN BETTER PLACE TO LIVE NEXT YEAR.

THE POLL FOUND THAT POLICE CRIME PROTECTION AND FIRE PROTECTION WERE THE HIGHEST PRIORITY AND THE MOST IMPORTANT CITY SERVICES. THESE CRITICAL SERVICE AREAS SUSTAINED THE LARGEST BUDGET INCREASES OVER LAST YEAR.

THE SATISFACTION RATE OF CITIZENS BEING INFORMED OF CITY GOVERNMENT MATTERS IMPROVED TO **70 PERCENT**, FROM **59 PERCENT** LAST YEAR.

IN ADDITION TO CONDUCTING NUMEROUS PUBLIC FORUMS AND MEETINGS, WE HAVE MADE SUBSTANTIAL PROGRESS IN OUR USE OF TECHNOLOGY TO COMMUNICATE TO CITIZENS AND BUSINESSES.

OUR WEBSITE, WWW.CITYOFMEMPHIS.ORG, IS AMONG THE BEST OF ANY MUNICIPALITY.

IN FACT, TODAY'S BUDGET ADDRESS IS BEING BROADCAST LIVE OVER THE INTERNET. I WANT TO SAY HELLO TO ALL THOSE JOINING TODAY'S BUDGET ADDRESS VIA THE INTERNET.

IT IS CLEAR THAT OUR EXPOSURE TO MEMPHIS AND THE WORLD WILL BE ENHANCED AS WE MOVE FORWARD WITH INCREASED USE OF TECHNOLOGY AND E-COMMERCE.

THE CITIZENS OF MEMPHIS ARE RECOGNIZING AND ACKNOWLEDGING THE WORK WE ARE DOING, BOTH IN DELIVERING QUALITY SERVICES AND IN MOVING MEMPHIS TO WORLD CLASS STATUS – THESE CITIZENS “**CHOOSE MEMPHIS.**”

AS I MENTIONED EARLIER, OUR GENERAL FUND RESERVES ARE STRONG, AT \$61 MILLION, AND THE FISCAL YEAR 2003 BUDGET PROPOSES. **NO TAX INCREASE AND NO SPENDING FROM GENERAL FUND RESERVES.**

FOR THE 21ST CONSECUTIVE YEAR, OUR SEWER FEES, WHICH CONTINUE TO BE THE LOWEST AMONG 150 CITIES, WILL REMAIN

THE SAME FOR ALL MEMPHIS CITIZENS AND BUSINESSES, WITH NO INCREASE.

MEMPHIS PROVIDES SEWER SERVICES TO ITS NEIGHBORING SUBURBS AT RATES THAT ARE ALSO INCREDIBLY LOW BY ANY STANDARD. WE PROVIDE SUBURBAN SEWER SERVICES BASED ON CONTRACTS THAT WERE NEGOTIATED OVER 15 YEARS AGO.

SINCE THAT TIME, SUBSTANTIAL CHANGES, INCLUDING CHANGES IN ENVIRONMENTAL REGULATIONS, HAVE AFFECTED THE COST OF COLLECTING AND TREATING WASTEWATER. IT IS NOW APPARENT THAT WE NEED TO MAKE ADJUSTMENTS TO THE RATES WE CHARGE OUR SUBURBAN NEIGHBORS SO THAT MEMPHIANS WILL NOT SUBSIDIZE THEIR SEWER SERVICES.

THEREFORE, IN AN EFFORT TO CORRECT THIS DISPARITY, I WOULD LIKE TO RECOMMEND AN INCREASE IN SEWER SERVICE FEES FOR ALL CUSTOMERS IN GERMANTOWN, BARTLETT AND LAKELAND BY 45 PERCENT, AND IN ALL UNINCORPORATED AREAS OF SHELBY COUNTY BY 25 PERCENT.

THESE ADJUSTMENTS ARE LONG OVERDUE FOR THOSE WHO HAVE DISPROPORTIONATELY BENEFITED FROM OUR HIGHLY VALUED SEWER SERVICES. WE ESTIMATE THAT THESE INCREASES WILL RESULT IN ABOUT \$1.7 MILLION IN THE FIRST YEAR.

FOR FISCAL YEAR 2003, THIS ADMINISTRATION PROPOSES A \$461 MILLION OPERATING BUDGET AND A \$989 MILLION MULTI-YEAR CAPITAL IMPROVEMENT PLAN.

WE COULD NOT ACCOMPLISH OUR MISSION OF PROVIDING EFFICIENT, COST EFFECTIVE AND RESPONSIVE QUALITY SERVICES WITHOUT DEDICATED AND COMMITTED CITY EMPLOYEES.

THEREFORE, OUR BUDGET PROPOSES A THREE PERCENT SALARY INCREASE FOR ALL CITY EMPLOYEES, BEGINNING JULY 1, 2002.

ALTHOUGH HIGHER SALARY INCREASES WERE SOUGHT BY SOME OF OUR LABOR GROUPS, GIVEN MAJOR CONCERNS ABOUT THE ECONOMY AND STATE SHARED REVENUES, SUCH ADJUSTMENTS AT THIS TIME WOULD NOT BE FINANCIALLY RESPONSIBLE.

WE CONTINUE TO EXPRESS APPRECIATION TO OUR RETIREES. FOR THE 15TH CONSECUTIVE YEAR, WE WILL PROVIDE A COST OF LIVING ADJUSTMENT FOR ALL CITY OF MEMPHIS RETIREES.

OUR TOP-RATED DIVISION, FIRE SERVICES, WHICH ACCOUNTS FOR **21 PERCENT** OR \$95 MILLION OF OUR GENERAL FUND SPENDING, INCLUDES A NEW WOLFCHASE FIRESTATION.

OUR STATE-OF-THE-ART FIRE TRAINING FACILITY, WHICH OPENED EARLIER THIS YEAR, WILL ENSURE THAT ALL NEW FIRE RECRUITS RECEIVE THE HIGHEST QUALITY TRAINING IN MODERN FIRE FIGHTING TECHNIQUES.

POLICE SERVICES, OUR OTHER CRITICAL PUBLIC SAFETY DIVISION, REMAINS THE LARGEST SINGLE EXPENDITURE FROM THE GENERAL FUND BUDGET AT \$161 MILLION OR **35 PERCENT** OF THE TOTAL OPERATING BUDGET.

THE MEMPHIS POLL ALSO NOTED THAT MEMPHIANS HAVE A MORE FAVORABLE ATTITUDE ABOUT POLICE SERVICES AND WE ARE EXPERIENCING SOME SUCCESSES IN A NUMBER OF AREAS.

HOWEVER, AS IT RELATES TO PREVENTIVE AND CORRECTIVE ACTIONS, THERE IS STILL MUCH WORK TO BE DONE BY ALL OF US.

THE POLICE SERVICES BUDGET HAS INCORPORATED EFFICIENCIES GAINED BY RE-DEPLOYMENT OF SOME COMMISSIONED OFFICERS BACK INTO ENFORCEMENT ROLES AND THE USE OF COMMUNITY POLICING STRATEGIES.

THE CIP INCLUDES FUNDING FOR A NEW SOUTHEAST PRECINCT, POLICE HELICOPTER AND FIRING RANGE. THE CENTRAL PRECINCT IS UNDER CONSTRUCTION AND WE HAVE INCLUDED FUNDING FOR RE-DEVELOPMENT OF THE OLD POLICE HEADQUARTERS ON ADAMS STREET, NEXT TO THE FIRE MUSEUM.

THE RE-DEVELOPED POLICE HEADQUARTERS WILL PROVIDE NEW OPERATIONAL FACILITIES FOR THE POLICE COMMAND STAFF, CITY COURTS AND CITY COURT CLERK OFFICES.

IT IS IMPERATIVE THAT WE CONTINUE TO BUILD A MEMPHIS THAT OFFERS OPTIONS TO OUR YOUNG PEOPLE - TO ENCOURAGE THEM TO **“CHOOSE MEMPHIS”** AS THEIR HOME.

PROVIDING OUR YOUTH WITH THE OPPORTUNITY TO PLAY A RESPONSIBLE, CONTRIBUTING ROLE IN OUR COMMUNITY IS A MAJOR FACTOR IN CREATING A SAFE AND STRONG CITY. I AM CONVINCED THAT OUR SUMMER YOUTH INITIATIVE IS BUILDING A STRONGER FUTURE FOR MEMPHIS.

THEREFORE, WE PROPOSE CONTINUING OUR SUPPORT OF THE SUMMER YOUTH INITIATIVE BY EMPLOYING 1,500 YOUNG PEOPLE IN JOBS RANGING FROM PARKS DIVISION SUMMER CAMP ASSISTANTS TO JOBS IN OUR LAW, FINANCE AND OTHER CITY DIVISIONS.

WE MUST CONTINUE TO MAKE OUR YOUTH A PART OF THE POSITIVE SYNERGISTIC ACTIVITIES IN THIS COMMUNITY AS OFTEN AND AS FULLY AS POSSIBLE.

WITH EMPHASIS ON OUR “**DECADE OF NEIGHBORHOODS,**” THIS ADMINISTRATION, WITH THE SUPPORT OF COUNCIL, HAS AGGRESSIVELY TARGETED NEIGHBORHOODS AND DEVOTED CRITICAL RESOURCES FOR NEIGHBORHOOD DEVELOPMENT.

WE CONTINUE MAKING FAVORABLE PROGRESS IN MAINTAINING AND BUILDING STRONG NEIGHBORHOODS. THE CIP BUDGET INCLUDES FUNDING FOR NEIGHBORHOOD STRATEGY IMPROVEMENTS, INCLUDING COMMERCIAL REVITALIZATION AND ABANDON STRUCTURE DEMOLITION AND REMOVAL.

IN THE HOUSING AND COMMUNITY DEVELOPMENT DIVISION, WE HAVE EXPERIENCED TREMENDOUS SUCCESS WITH VARIOUS TYPES OF PROGRAMS, DESIGNED TO ENCOURAGE AND REMOVE BARRIERS TO HOME OWNERSHIP.

IN THE PAST TEN YEARS, WE HAVE HELPED MORE THAN 11,000 FAMILIES PURCHASE HOMES THROUGH OUR VARIOUS HOME OWNERSHIP ASSISTANCE PROGRAMS.

MOREOVER, A RECENT COLLABORATION WITH THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD COULD GENERATE UP TO \$50 MILLION IN ANNUAL MULTI-FAMILY HOUSING DEVELOPMENTS.

THE MEMPHIS HOUSING AUTHORITY HAS DEVELOPED AN EXTENSIVE LONG-TERM, HIGHLY PROGRESSIVE, RE-DEVELOPMENT STRATEGY FOR ALL THE CITY’S PUBLIC HOUSING PROJECTS. EFFORTS ARE WELL UNDERWAY TO RADICALLY CHANGE THE FACE OF ALL OUR PUBLIC HOUSING PROJECTS.

ALL OF THESE HOUSING EFFORTS SERVE TO STRENGTHEN NEIGHBORHOODS, GROW THE TAX BASE, AND ADD TO RESIDENTIAL DEVELOPMENT WHILE ASSISTING AND PROVIDING CITIZENS WITH AFFORDABLE HIGH-QUALITY HOUSING OPTIONS.

WE ARE CONTINUING OUR SUPPORT OF COMMUNITY DEVELOPMENT CORPORATIONS. THESE ORGANIZATIONS ARE OUR PARTNERS IN

NEIGHBORHOOD REVITALIZATION FOR ORANGE MOUND, FRAYSER, VOLLINTINE-EVERGREEN, WHITEHAVEN, COOPER-YOUNG, GLENVIEW, LEMOYNE-OWEN AND OTHER PARTS OF THE CITY.

WE NEED TO PROVIDE EXTENSIVE OPPORTUNITIES TO INCREASE THE CDC'S ABILITY TO MAKE SUBSTANTIVE CONTRIBUTIONS AND BRING RENEWED ECONOMIC AND RESIDENTIAL LIFE BACK INTO MEMPHIS NEIGHBORHOODS.

WE ARE IN THE INITIAL STAGES OF MAJOR DEVELOPMENT WITHIN THE UPTOWN REVITALIZATION AREA, WHICH INCLUDES \$6 MILLION IN THE CIP FOR THE NORTH PARKWAY RE-ALIGNMENT, NEAR THE ONGOING BILLION DOLLAR EXPANSION OF ST. JUDE CHILDREN'S RESEARCH HOSPITAL.

THIS PROJECT INCLUDES THE HISTORIC REHABILITATION OF THE VACANT, DISTRESSED LAUDERDALE COURTS AND THE RE-DEVELOPMENT OF HURT VILLAGE, THAT WILL BE MARKETED AS MIXED INCOME PROPERTIES TO RENTERS AND HOMEOWNERS.

IN ADDITION TO BUILDING NEW HOUSES, REVITALIZING SMALL BUSINESSES AND SUPPORTING HOME OWNERSHIP, WE WILL CONTINUE TO FUND AREAS LIKE LITTER CONTROL, CLEANING VACANT LOTS, CODE ENFORCEMENT, AND STREET PAVING.

TO ENHANCE THE VISUAL BEAUTY OF OUR CITY, WE ARE PROVIDING CIP FUNDING FOR THE NEW URBAN ART ORDINANCE.

THE CITY IS CONTINUING TO PROVIDE SUPPORT TO NUMEROUS NON-PROFIT COMMUNITY ORGANIZATIONS SUCH AS BOYS AND GIRLS CLUBS, MEMPHIS 2005, MEMPHIS FOOD BANK, CHILD ADVOCACY CENTER AND A HOST OF OTHERS.

CONSISTENT WITH LAST YEAR, WE HAVE COMMITTED \$9 MILLION FOR STREET PAVING OF MEMPHIS CITY STREETS.

A MAJOR INGREDIENT FOR A CITY AND COMMUNITY TO CONTINUE TO GROW AND PROSPER IS A STRONG SCHOOL SYSTEM.

DURING THE LAST TEN YEARS, THIS ADMINISTRATION, WITH CITY COUNCIL APPROVAL, HAS PROVIDED SUBSTANTIAL UNPRECEDENTED LEVELS OF CAPITAL FUNDING TO MEMPHIS CITY SCHOOLS - IN EXCESS OF \$175 MILLION.

I AM HOPEFUL THAT ONGOING, SINGLE SOURCE FUNDING DISCUSSIONS BETWEEN THE CITY AND COUNTY SCHOOL SYSTEMS AND CITY AND

COUNTY GOVERNMENTS WILL RESULT IN MORE EQUITABLE FUNDING FOR BOTH SCHOOL SYSTEMS.

NEW BRANCH LIBRARIES ARE INCLUDED IN THE CIP FOR WHITEHAVEN, CORDOVA, AND PARKWAY VILLAGE, AND THE HOLLYWOOD BRANCH WILL BE EXPANDED. ALSO, \$13 MILLION OF OPERATIONAL FUNDING IS PROVIDED FOR OUR LIBRARY SYSTEM.

TWO COMMUNITY CENTERS ARE POISED FOR OPENING OVER THE NEXT SEVERAL MONTHS - BERT FERGUSON AND HICKORY HILL, WITH ONE NEW COMMUNITY CENTER PLANNED FOR FY 2003 IN WHITEHAVEN.

WORK WILL SOON BEGIN ON THE ORANGE MOUND COMMUNITY SERVICE CENTER, WHICH WILL INCLUDE AN INDOOR SWIMMING POOL AND SENIOR CENTER, AND A NUMBER OF PLAYGROUND RENOVATIONS ARE IN PROGRESS.

AS MEMPHIS GROWS, IT IS CRITICAL THAT WE HAVE INCREASED CAPACITY AND OPTIONS WITHIN ALL FACETS OF OUR PUBLIC TRANSPORTATION SYSTEM.

ANOTHER ITEM IN THE CIP THAT I WANT TO POINT OUT IS OUR CONTINUED SUPPORT OF PUBLIC TRANSPORTATION. WE HAVE A FIVE YEAR CIP COMMITMENT OF \$18 MILLION AND WILL PROVIDE OPERATIONAL FUNDING OF \$14 MILLION FOR MATA.

WITH ONGOING EXPANSIONS THROUGHOUT THE HIGHWAY SYSTEM IN MEMPHIS, WE WILL FURTHER ENHANCE PUBLIC TRANSPORTATION WITH OUR NEW MATA LIGHT-RAIL CONNECTIONS FROM DOWNTOWN TO THE MID-TOWN MEDICAL CENTER, AND FROM DOWNTOWN TO THE MEMPHIS INTERNATIONAL AIRPORT.

AS WE GROW, ENVIRONMENTAL AIR QUALITY WILL CONTINUE TO BE OF IMPORTANCE TO US. THEREFORE, WE HAVE INCLUDED FUNDING FOR A NEW MOTOR VEHICLE INSPECTION STATION.

WE CONTINUE TO VALUE PUBLIC HEALTH SERVICES AND HAVE INCLUDED \$11 MILLION IN FUNDING FOR THE MEMPHIS AND SHELBY COUNTY HEALTH DEPARTMENT.

CITIZENS RATE THE MEMPHIS ZOO, PINK PALACE MUSEUM AND BOTANIC GARDENS AS AMONG THE BEST ATTRACTIONS IN THE CITY, AND THEY ALL HAVE FUNDING IN OUR CIP.

WE BUDGETED \$1 MILLION FOR THE NORTHWEST PASSAGE CHINA EXHIBIT; \$1.2 MILLION FOR IMPROVEMENTS TO LIBERTY BOWL STADIUM; AND

FUNDING FOR A NEW ANIMAL SHELTER; WONDERS INTERNATIONAL CULTURAL SERIES; THE CHILDRENS MUSEUM; AND THE NEW FEDERAL EXPRESS EMERGING TECHNOLOGY CENTER AT THE UNIVERSITY OF MEMPHIS.

MEMPHIANS WILL SOON SEE OUR RIVERFRONT BEGIN TO TAKE SHAPE ULTIMATELY BECOMING A BEAUTIFUL, VIBRANT PUBLIC ENTERTAINMENT AND ACTIVITY DISTRICT WORTHY OF INTERNATIONAL ACCLAIM. THE FIVE YEAR CIP INCLUDES \$100 MILLION FOR RIVERFRONT DEVELOPMENT, OF WHICH, \$32 MILLION IS IN CITY GENERAL OBLIGATION BONDS.

THE MEMPHIS VISION DEPICTS THE KIND OF CITY WE OUGHT TO BUILD, THE KIND OF CITY WE WANT TO LEAVE FOR OUR CHILDREN, THE KIND OF CITY THAT ALL PEOPLE CAN ENJOY LIVING IN - ONE THAT ELICITS A SENSE OF SPIRIT AND PRIDE, ONE THAT WILL FOSTER A **“CHOOSE MEMPHIS”** PHILOSOPHY.

COUNCIL MEMBERS, I ASSURE YOU AND ALL MEMPHIANS THAT WE ARE FULLY COMMITTED AND DETERMINED TO MAKE MEMPHIS A GLOBAL CITY OF CHOICE, ONE WHERE PEOPLE WILL **“CHOOSE MEMPHIS.”**

WE ARE COMMITTED TO ASSISTING OUR SCHOOL ADMINISTRATORS IN BUILDING A FIRST-RATE SCHOOL SYSTEM, ONE THAT PRODUCES THE KIND OF GRADUATES WE NEED TO ADD VALUE TO THE SOCIAL AND ECONOMIC FIBER OF MEMPHIS.

WE ARE COMMITTED TO MAKING MEMPHIS A SAFE CITY, ONE WHERE WE CAN ALL FEEL PROTECTED IN OUR HOMES AND ON OUR STREETS.

WE ARE COMMITTED TO MAKING MEMPHIS A CLEAN CITY, ONE THAT IMPRESSES VISITORS AND RESIDENTS ALIKE. ONE WHERE PEOPLE WILL **“CHOOSE MEMPHIS.”**

WE CANNOT AFFORD TO STIFLE OR GRIDLOCK THE POSITIVE PROGRESS AND MOMENTUM THAT WE NOW HAVE, PARTICULARLY IF WE WANT PEOPLE TO **“CHOOSE MEMPHIS.”**

TODAY, WE PRESENT FOR APPROVAL, TO CITY COUNCIL AND THE CITIZENS OF MEMPHIS, A BUDGET THAT IS FISCALLY PRUDENT, AND ONE THAT WILL ENABLE CITY GOVERNMENT TO CONTINUE ITS FUNDAMENTAL WORK FOR ALL ITS CITIZENS IN A HIGHLY RESPONSIVE AND COST EFFECTIVE MANNER.

I INVITE THE COUNCIL AND ALL MY FELLOW MEMPHIANS TO JOIN ME IN EXPRESSING OUR CONVICTION AND ENTHUSIASM ABOUT THIS GREAT CITY,

BY ENCOURAGING ALL MEMPHIANS, VISITORS AND NEIGHBORS TO -
“CHOOSE MEMPHIS.”

**I NOW CONCLUDE MY REMARKS AND REQUEST YOUR ATTENTION IN
VIEWING A HIGHLIGHT FILM OF MEMPHIS AT ITS BEST!!**